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KARL MORELL

RECORDATION NO.

21447-D
FILED

NOV 29 '05

11-04 AM

SURFACE TRANSPORTATION BOARD

kmorell@bjllp.com

November 29, 2005

The Honorable Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, DC 20423-0001

Dear Secretary Williams:

Enclosed are two (2) originals of the document described below to be recorded pursuant to 49 U.S.C. § 11301.

The document is Amendment No. 1 To Security Agreement ("Amendment"), a secondary document, dated as of September 15, 2005. The primary document to which the Amendment is connected is recorded under Recordation No. 21447. We request that this document be recorded under Recordation No. 21447-C.

The name and address of the parties to the Amendment are:

Secured Party:

Bank of America, N.A.
550 W. Main Street
Knoxville, TN 37902

Grantors:

Rio Grande Pacific Corporation
Idaho Northern & Pacific Railroad Company
Nebraska Central Railroad Company
Wichita, Tillman & Jackson Railway Company
New Orleans & Gulf Coast Railway Company

The Chief Executive Office of each Grantor is located at:

BALL JANIK LLP

The Honorable Vernon Williams
November 29, 2005
Page 2

6100 Southwest Blvd., Suite 320
Fort Worth, TX 76109

A description of the equipment covered by the Amendment consists of: all rolling stock and locomotives of Grantors, whether now existing or hereafter acquired, including the rolling stock and locomotives listed on Exhibit A of the Amendment.

A fee of \$33.00 is enclosed. Please return one original to:

Karl Morell
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: Amendment No. 1 To Security Agreement between Bank of America, N.A., 550 W. Main Street, Knoxville TN 37902 and Rio Grande Pacific Corporation, Idaho Northern & Pacific Railroad Company, Nebraska Central Railroad Company, Wichita, Tillman & Jackson Railway Company and New Orleans & Gulf Coast Railway Company, 6100 Southwest Blvd., Suite 320, Fort Worth, TX 76109.

Sincerely,

A handwritten signature in black ink, appearing to read "Karl Morell", written in a cursive style.

Karl Morell

Enclosures

Bank of America 

NOV 29 '05

11-04 AM

SURFACE TRANSPORTATION BOARD

AMENDMENT NO. 1 TO SECURITY AGREEMENT

This Amendment No. 1 to Security Agreement (this "Amendment") between **RIO GRANDE PACIFIC CORPORATION**, a Texas corporation ("Rio Grande"); **IDAHO NORTHERN & PACIFIC RAILROAD COMPANY**, a Delaware corporation ("Idaho"); **NEBRASKA CENTRAL RAILROAD COMPANY**, a Delaware corporation ("Nebraska"); **WICHITA, TILLMAN & JACKSON RAILWAY COMPANY** an Oklahoma corporation ("Wichita"); and **NEW ORLEANS & GULF COAST RAILWAY COMPANY**, a Delaware corporation ("New Orleans") (hereinafter, Rio Grande, Idaho, Nebraska, Wichita, and New Orleans, collectively, the "Grantors") and **BANK OF AMERICA, N.A.**, a national banking association and successor to NationsBank, N.A. (the "Bank").

RECITALS

A. Bank has extended a line of credit in the amount of \$7,000,000 to Rio Grande pursuant to an Amended and Restated Credit Agreement dated as of April 23, 1999, as amended by a Modification of extended a line of credit in the amount of \$2,000,000 to Rio Grande pursuant to an Amended Revolving Credit Facility Loan Documents dated as of July 31, 2002 (the "First Modification"), a letter dated March 24, 2005, a letter dated June 24, 2005, a letter dated August 15, 2005 and a Second Modification of extended a line of credit in the amount of \$2,000,000 to Rio Grande pursuant to an Amended Revolving Credit Facility Loan Documents dated as of September 15, 2005 (the "Second Modification" and collectively, the "Credit Agreement");

B. The Credit Agreement is secured by a pledge by Grantors of certain Collateral as set forth in that certain Amended, Restated and Consolidated Security Agreement between the Grantors and Bank dated as of April 23, 1999, as amended by the First Modification and the Second Modification (the "Security Agreement"); and

C. Grantor and Bank desire to amend the Security Agreement as set forth below.

AGREEMENT

1. Definitions. Capitalized terms used but not defined in this Amendment shall have the meaning given to them in the Security Agreement.

2. Amendment to the Security Agreement: The Security Agreement is amended by deleting Exhibit A in its entirety and substituting in lieu thereof a new Exhibit A in the form attached to this Amendment.

3. Representations and Warranties. When Grantors sign this Amendment, they each represent and warrant to Bank that: (a) there is no event which is, or with notice or lapse of time or both would be, an Event of Default under the Security Agreement, (b) the representations and warranties in the Security Agreement are true as of the date of this Amendment as if made on the

date of this amendment, (c) this Amendment does not conflict with any law, agreement, or obligation by which such Grantor is bound, and (d) this Amendment is within such Grantor's powers, has been duly authorized, and does not conflict with any of such Grantor's organizational papers.

4. Confirmation of Collateral. Grantors hereby: (i) confirm to Bank all security interests and liens heretofore granted by Grantors to the Bank under the Security Agreement, and (ii) acknowledge and agree that the Obligations continue to be secured by the Collateral pursuant to the terms of the Security Agreement, as amended hereby.

5. Effect of Amendment. Except as provided in this Amendment, all of the terms and conditions of the Security Agreement shall remain in full force and effect. All references to the Security Agreement in any documents executed in connection therewith or the Credit Agreement shall refer to such Security Agreement as amended hereby.

6. Governing Law. This Amendment shall be governed by and construed in accordance with the internal laws of the state provided for in the Security Agreement without reference to conflict of law principles.

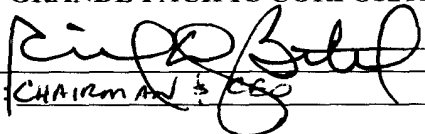
7. Counterparts. This Amendment may be executed in counterparts, each of which when so executed shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

8. Notice of Final Agreement.

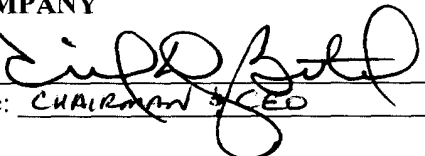
THE SECURITY AGREEMENT AND THIS WRITTEN MODIFICATION AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Grantors:

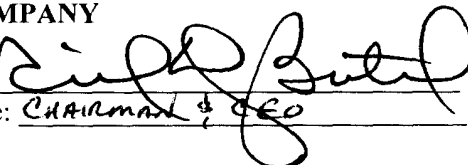
RIO GRANDE PACIFIC CORPORATION

By: 
Title: CHAIRMAN & CEO

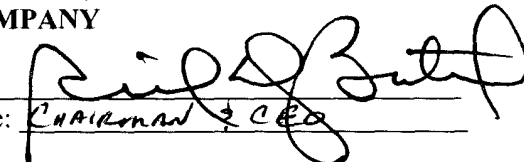
**IDAHO NORTHERN & PACIFIC RAILROAD
COMPANY**

By: 
Title: CHAIRMAN & CEO


**NEBRASKA CENTRAL RAILROAD
COMPANY**

By: 
Title: CHAIRMAN & CEO

**WICHITA, TILLMAN & JACKSON RAILWAY
COMPANY**

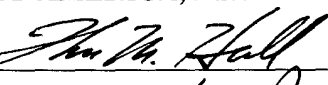
By: 
Title: CHAIRMAN & CEO

**NEW ORLEANS & GULF COAST RAILWAY
COMPANY**

By: 
Title: CHAIRMAN & CEO

Bank:

BANK OF AMERICA, N.A.

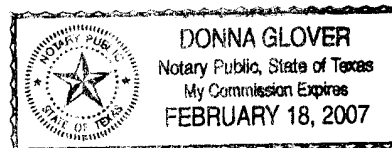
By: 
Title: Senior Vice President

STATE OF TEXAS
COUNTY OF TARRANT

On this 12th day of September, 2005 before me personally appeared Richard Bertel, to me personally known, who being by me duly sworn, says that he is Chairman & CEO of Rio Grande Pacific Corporation, a Texas corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna Glover
Notary Public

My Commission Expires: 2-18-07

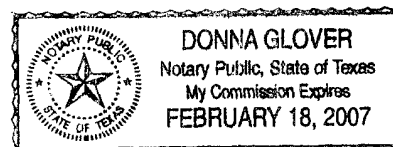


STATE OF TEXAS
COUNTY OF TARRANT

On this 12th day of September, 2005 before me personally appeared Richard Bertel, to me personally known, who being by me duly sworn, says that he is Chairman & CEO of Idaho Northern & Pacific Railroad Company, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna Glover
Notary Public

My Commission Expires: 2-18-07

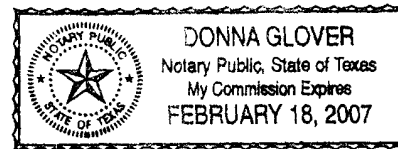


STATE OF TEXAS
COUNTY OF TARRANT

On this 12th day of September, 2005 before me personally appeared Richard Bertel, to me personally known, who being by me duly sworn, says that he is Chairman + CEO of Nebraska Central Railroad Company, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna Glover
Notary Public

My Commission Expires: 2-18-07

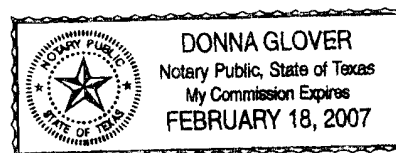


STATE OF TEXAS
COUNTY OF TARRANT

On this 12th day of September, 2005 before me personally appeared Richard Bertel, to me personally known, who being by me duly sworn, says that he is Chairman + CEO of Wichita, Tillman & Jackson Railway Company, an Oklahoma corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna Glover
Notary Public

My Commission Expires: 2-18-07

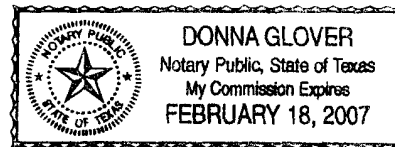


STATE OF TEXAS
COUNTY OF TARRANT

On this 12th day of September, 2005 before me personally appeared Richard Bertel, to me personally known, who being by me duly sworn, says that he is Chairman & CEO of New Orleans & Gulf Coast Railway Company, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna Glover
Notary Public

My Commission Expires: 2-18-07



STATE OF TENNESSEE
COUNTY OF KNOX

On this 15th day of September, 2005, before me personally appeared John M. Hall, to me personally known, who being by me duly sworn, says that he is Sr. Vice President of Bank of America, N.A., a national banking corporation organized under the laws of the United States and that he as such Sr. Vice President, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the Bank by John M Hall as such Sr. Vice President.

Donna R Phillips
Notary Public

My Commission Expires: 12/04/07

Exhibit A**Rio Grande Pacific Corporation
Rolling Stock, Boxcars, Locomotives and Other Collateral****Rolling Stock and Boxcars:**

Item #	Road ID	Road No.	Steel Stencil #	AAR Type or Description	Operational Status
1	INPR	51038		40' Flat	at INPR in service
2	INPR	51048		40' Flat	at INPR in service
3	INPR	51164		40' Flat	at WTJR in service
4	INPR	51172		40' Flat	at NCRC in service
5	INPR	51183		40' Flat	at NOGC in service
6	INPR	51330		40' Flat	at NOGC in service
7	INPR	51355		40' Flat	at INPR in service
8	INPR	51371		40' Flat	at NOGC in service
9	INPR	51477		40' Flat	at NOGC in service
10	INPR	51512		40' Flat	at NOGC in service
11	INPR	58563		50' Flat	at WTJR in service
12	INPR	58571		50' Flat	at INPR in service
13	INPR	58958		50' Flat	at NCRC in service
14	INPR	59567		50' Flat	at WTJR in service
15	INPR	59610		50' Flat	at NCRC in service
16	INPR	59682		50' Flat	at INPR in service
17	INPR	66819		40' Gon. Log	at NCRC in service
18	INPR	66833		40' Gon. Log	at NCRC in service
19	INPR	66845		40' Gon. Log	at NCRC in service
20	INPR	66861		40' Gon. Log	at NCRC in service
21	INPR	66868		40' Gon. Log	at NCRC in service
22	INPR	66880		40' Gon. Log	at NCRC in service
23	INPR	66900		40' Gon. Log	at NCRC in service
24	INPR	66914		40' Gon. Log	at NCRC in service
25	INPR	66924		40' Gon. Log	at NCRC in service
26	INPR	66926		40' Gon. Log	at NCRC in service
27	INPR	66944		40' Gon. Log	at NCRC in service
28	INPR	67501		40' Gon. Log	at NCRC in service
29	INPR	67544		40' Gon. Log	at NCRC in service
30	INPR	67553		40' Gon. Log	at NCRC in service
31	INPR	67604		40' Gon. Log	at NCRC in service
32	INPR	67613		40' Gon. Log	at NCRC in service
33	INPR	67618		40' Gon. Log	at NCRC in service

Exhibit A

**Rio Grande Pacific Corporation
Rolling Stock, Boxcars, Locomotives and Other Collateral**

Rolling Stock and Boxcars:

Item #	Road ID	Road No.	Steel Stencil #	AAR Type or Description	Operational Status
34	INPR	67632		40' Gon. Log	at NCRC in service
35	INPR	67634		40' Gon. Log	at NCRC in service
36	INPR	54662		60' Flat	at INPR in service
37	INPR	54670		60' Flat	at INPR in service
38	INPR	54736		60' Flat	at INPR in service
39	INPR	54798		60' Flat	at INPR in service
40	INPR	58186		50' Flat	at NOGC in service
41	INPR	58310		50' Flat	at INPR in service
42	INPR	58449		50' Flat	at INPR in service
43	INPR	58775		50' Flat	at INPR in service
44	INPR	58848		50' Flat	at INPR in service
45	INPR	58882		50' Flat	at INPR in service
46	INPR	58934		50' Flat	at INPR in service
47	INPR	5009		40' Flat	at INPR in service
48	INPR	57943		50' Flat	at INPR in service
49	INPR	57972		50' Flat	at WTJR in service
50	INPR	58001		50' Flat	at INPR in service
51	INPR	58390		50' Flat	at INPR in service
52	INPR	58416		50' Flat	at NCRC in service
53	INPR	58530		50' Flat	at INPR in service
54	INPR	58835		50' Flat	at NCRC in service
55	INPR	58842		50' Flat	at INPR in service
56	INPR	58970		50' Flat	at INPR in service

Exhibit A**Rio Grande Pacific Corporation
Rolling Stock, Boxcars, Locomotives and Other Collateral****Locomotives:**

Item #	Road ID	Road No.	Model #	AAR Type or Description	Operational Status
57	INPR	4500	7929-7	GP-40	In Service
58	INPR	4501	7929-12	GP-40	In Service
59	INPR	4502	7944-1	GP-40	In Service
60	INPR	4503	7183-7	GP-40	In Service
61	INPR	4504	7183-15	GP-40	In Service
62	INPR	4505	7229-18	GP-40	In Service
63	INPR	4506	7075-2	GP-35	In Service
64	INPR	4509	7774-26	GP-35	Out of Service
65	INPR	4510	7774-29	GP-35	In Service
66	INPR	1707		GP-16	In Service
67	NCRC	4200		GP-38	In Service
68	NCRC	4201		GP-38	In Service
69	NCRC	4202		GP-38	In Service
70	NCRC	4203		GP-38	In Service
71	NCRC	4204		GP-38	In Service
72	NCRC	5315		SD-45	In Service
73	NCRC	5332		SD-45	In Service
74	WTJR	4443		GP-7	In Service
75	WTJR	4451		GP-7	In Service
76	WTJR	4454		GP-7	In Service
77	WTJR	4367		GP-7	In Service
78	WTJR	4364		GP-7	In Service
79	WTJR	4370		GP-7	In Service
80	NOLR	1229		SW-1200	In Service
81	NOLR	2180		GP-7	In Service

Exhibit A

Rio Grande Pacific Corporation
Rolling Stock, Boxcars, Locomotives and Other Collateral

Other:					
Item #	Road ID	Road No.	Model #	AAR Type or Description	Operational Status
82	NCRC	501		Caboose	In Service
83	NCRC	502		Caboose	In Service
84	NCRC	301		Tank Car	In Service
85	NCRC	302		Tank Car	In Service
86	NCRC	77		Snow Plow	In Service
87	NCRC			Little Giant Crane	In Service
88	NCRC			Kershaw Tie Crane	In Service
89	NCRC			Jackson 6000 Tamper	In Service
90	INPR	046		Caboose	In Service
91	INPR	047		Caboose	In Service
92	INPR	048		Caboose	In Service
93	MP	14621		Tank Car	In Service
94	INPR	7		Tank Car	In Service
95	INPR	77		Jordan Spreader	In Service
96				Jackson Ballast Regulator	In Service
97				Jackson 6000 Tamper	In Service
98				Case Track Excavator	In Service
99	INPR	90005		Snow Plow	In Service
100	CNW	262743		Snow Plow	In Service
101	UP	5613		Passenger Car	In Service
102	UP	4051		Passenger Car	In Service
103	UP	1		Passenger Car	In Service
104				Komatsu Fork lift	In Service
105				Brush Cutter	In Service
106				Pettibone Speedswing	In Service
107				Pettibone Speedswing 442B	In Service
108				Kershaw Ballast Regulator	In Service
109				Bantam Crane	In Service
110				Tank Car	In Service
111				Tank Car	In Service
112				Tank Car	In Service
113	NCRC			Pettibone Speed Swing	In Service
114				RCE110 Brushcutter	In Service
115				John Deere 310G Backhoe	In Service
116	UP	25717		Caboose	In Service
117	UP	903015		Caboose	In Service